



Clarification Statement Issued from CBS Evening News Regarding Liquidity Services, Inc.'s Involvement in the Sale of Pentagon Goods

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WASHINGTON--(BUSINESS WIRE)--Aug. 7, 2006--Liquidity Services, Inc. (LSI), a leading online auction marketplace for wholesale, surplus and salvage assets, announced today that CBS Evening News has issued a clarification statement regarding CBS's July 28 report, "'Sensitive' Pentagon Goods for Sale." The statement, found at <http://www.cbsnews.com/sections/eveningnews/main3420.shtml>, clarifies portions of the report as follows:

"...But our report may also have created the impression that Liquidity Services Inc. (LSI), a company used by the Defense Department for some equipment resales, was responsible for failing to detect that the GAO investigators' identifications were fake. We should have made clear that the warehouses tested by the GAO were not operated by LSI, that LSI had no involvement with the sale of the missile launcher mount or the digital signal converters referenced in the news report (equipment obtained from Defense Department personnel by GAO investigators posing as Defense Department contractors), and that, in any event, responsibility for screening property released for resale rests with the Defense Department."

"We appreciate the cooperation and efforts made by CBS Evening News to clarify the report," said Bill Angrick, CEO of LSI.

The statement can also be found at http://www.cbsnews.com/stories/2006/07/21/cbsnews_investigates/main1826724.shtml (Due to its length, this URL may need to be copied/pasted into your Internet browser's address field. Remove the extra space if one exists.) and at CBS News Investigates http://www.cbsnews.com/sections/cbsnews_investigates/main500690.shtml.

About Liquidity Services, Inc. (LQDT)

Liquidity Services, Inc. (NASDAQ:LQDT) and its subsidiaries enable corporations and government agencies to market and sell surplus assets and wholesale goods quickly and conveniently using online auction marketplaces and value-added services. The company is based in Washington, D.C. and has 350 employees. Additional information can be found at: www.liquidityservicesinc.com.

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